



FEDERAL AND STATE AGRICULTURE DEPARTMENTS FINANCIAL ASSISTANCE PROGRAMS

USDA: Rural Development

Value Added Producer Grants – The purpose of these grants is to stimulate value-added agricultural ventures. These grants are intended to conduct feasibility analyses, develop business and marketing plans, and conduct other studies to help establish a viable value-added business venture. Also, they can be used to fund working capital if feasibility studies, business plans and other supporting documentation are already in place. Eligible applicants are agricultural producers and producer organizations. Applicants must pledge matching funds.

<http://www.rurdev.usda.gov/rbs/coops/vadg.htm>

Web Site: <http://www.rurdev.usda.gov/mi/>

Contact: Bobbie Morrison, East Lansing Office, USDA, 517-324-5222
Carol Webb, East Lansing Office, USDA, 517-324-5219

Renewable Energy and Energy Efficiency Program - Also known as Section 9006 of the Farm Bill. USDA Rural Development offers grants, guaranteed loans, and combination grant/guaranteed loans to help agriculture producers and rural small businesses purchase and install commercially available renewable energy systems and make energy efficiency improvements in rural areas.

Web Site: <http://www.rurdev.usda.gov/rbs/farmbill/index.html>

Contact: Rick Vanderbeek, East Lansing Office, USDA, 517/324-5218
Paula Gromak, Caro Office, USDA, 989/673-8173 ext. 120

Business and Industry Loan Guarantees - to create jobs and stimulate rural economies by providing financial backing for rural businesses. Uses include acquisition, start-up, and expansion of rural businesses that create employment. Businesses apply through federal or state-chartered banks, credit unions or savings and loan associations. Water treatment facilities on location are an eligible loan purpose for this program.

Web Site: http://www.rurdev.usda.gov/rbs/busp/b&i_gar.htm

Contact: Business Programs, East Lansing Office, USDA 517/324-5157

USDA: Farm Service Agency

Stabilizing farm income, helping farmers conserve land and water resources, providing credit to new or disadvantaged farmers and ranchers, and helping farm operations recover from the effects of disaster are the missions of the U.S. Department of Agriculture's Farm Service Agency (FSA).

Web Site: <http://www.fsa.usda.gov>

Some of the programs administered by the Farm Service Agency include:

Farm Loan Programs - FSA makes direct and guaranteed farm ownership and operating loans to family-size farmers and ranchers who cannot obtain commercial credit from a bank, Farm Credit System institution, or other lender. FSA loans can be used to purchase land, livestock, equipment, feed, seed, and supplies. Loans can also be used to construct buildings or make farm improvements. Emergency loans may also be available to help farmers recover from production and physical losses due to drought, flooding, other natural disasters, or quarantine.

Conservation Programs - The Conservation Reserve Program (CRP) is a voluntary program for agricultural landowners. Through CRP, you can receive annual rental payments and cost-share assistance to establish long-term, resource-conserving covers on eligible farmland. Through FSA, the Commodity Credit Corporation (CCC) makes annual rental payments based on the agriculture rental value of the land, and it provides cost-share assistance for up to 50 percent of the participant's costs in establishing approved conservation practices. Participants enroll in CRP contracts for 10 to 15 years.

Price Support - Under the Farm Storage Facility Loan Program FSA is authorized to make loans to grain producers to build or upgrade farm storage and handling facilities.

Under FSA's Marketing Assistance Loan and Loan Deficiency Payment program (LDP), certain commodities may be eligible for a loan or a loan deficiency payment (LDP).

Direct and Counter-cyclical Payment Program - The Direct and Counter-cyclical Payment Program (DCP) provides payments to eligible producers on farms enrolled for the 2002 through 2007 crop years. There are two types of DCP payments – direct payments and counter-cyclical payments. Both are computed using the base acres and payment yields established for the farm. DCP was authorized by the 2002 Farm Bill. These programs may or may not be available based on timing and individual circumstances.

Numerous Fact Sheets, additional information and Farm Service Agency local office locations can be found on FSA's web site.

Web Site: www.fsa.usda.gov

Contact: Public Affairs Specialist, 517/324-5108

State-Federal Partnership Program

FSMIP Grants - The Federal-State Marketing Improvement Program (FSMIP) provides matching funds to state departments of agriculture and other appropriate state agencies to assist in exploring new market opportunities for food and agricultural products, and to encourage research and innovation aimed at improving the efficiency and performance of the marketing system.

FSMIP funds a wide range of applied research projects that address barriers, challenges, and opportunities in marketing, transportation, and distribution of U.S. food and agricultural products domestically and internationally.

Eligible agricultural categories include livestock, livestock products, food and feed crops, fish and shellfish, horticulture, viticulture, apiary, and forest products and processed or manufactured products derived from such commodities. Reflecting the growing diversity of U.S. agriculture, in recent years, FSMIP has funded projects dealing with nutraceuticals, bioenergy, compost, and products made from agricultural residues.

Web Site: www.ams.usda.gov/tmd/fsmip.htm

Other Federal Grant Programs: Grants.gov - Grants.gov allows organizations to electronically find and apply for more than \$400 billion in federal grants. Grants.gov is the single access point for over 1,000 grant programs offered by all federal grant making agencies. The U.S. Department of Health and Human Services is proud to be the managing partner for Grants.gov.

Web Site: <http://www.grants.gov/>

State of Michigan Agencies

The Michigan Economic Development Corporation - The Michigan Economic Development Corporation (MEDC) is the resource for businesses seeking to grow in Michigan. Whether it's an expansion, relocation, or even a concern with another agency of state government, the MEDC can help. From site location assistance to job training grants, from help with permits to tax abatements, we're the state's economic development corporation.

The MEDC also houses Travel Michigan, the state of Michigan's official agency for the promotion of tourism. Travel Michigan collaborates with the state's Destination Marketing Organizations (Convention & Visitors' Bureaus, other regional marketing entities, and tourism-related state associations) to market Michigan and provide comprehensive visitor information services--with the overall goal to create and retain jobs in the state.

Web Site: <http://www.michigan.org>

Contact: 517/373-9808

The Michigan Department of Labor and Economic Growth – The Michigan Department of Labor and Economic Growth's Energy Office promotes energy efficiency and renewable energy resource development to Michigan's residents, businesses, and public institutions. Program activities are designed to encourage the use of new technologies and alternative fuels in buildings, industrial processes, vehicles, and in power generation. Program objectives are advanced through a variety of services, including information dissemination, technical assistance, financial assistance, and demonstration projects. The primary funding source for Energy Office activities is the U.S. Department of Energy. Program areas include biomass energy, wind and solar, transportation, residential, industrial, and public buildings.

The Energy Office administers numerous grants focused on energy efficiency and renewable energy. Information on these grants as well as additional funding opportunities, information, resources, and program contacts can be found on the Energy Office's website.

Web Site: <http://www.michigan.gov/energyoffice>

Contact: 517/241-6228

The Michigan Department of Agriculture – The MDA serves as a resource for connecting the food and agriculture industry through collaborative promotions, research and value-added product development. MDA assists the industry in identifying funding resources and growth opportunities, and leverages its funds with other available state, federal and industry funds to expand economic development and promotion endeavors.

MDA administers grants through the Julian-Stille Value-added Agriculture program and the Federal State Market Improvement program, and promotes grant opportunities through these and other programs to the industry. MDA also provides technical assistance to industry members. Areas of focus and expertise include domestic marketing through the Select Michigan program, international marketing, food safety and labeling, land and water use, Right to Farm and Right to Processing concerns, emergency preparation, and agricultural tourism.

Web Site: <http://www.michigan.gov/mda>

Contact: Agriculture Development Division, 517/241-2178

The Michigan Department of Management and Budget - State Contracting - DMB has two purchasing arms: 1) Purchasing Operations buys goods and services on behalf of State agencies. 2) Facilities Administration handles construction and renovation of State buildings. Michigan businesses that want to become state contractors should visit the "Selling to the State" section of this site for valuable information and tips. The Department of Management and Budget competitively bids all solicitations, and welcomes participation in bidding by Michigan businesses.

Web Site: <http://www.michigan.gov/doingbusiness>

The Michigan Department of Environmental Quality - The State Revolving Fund (SRF) can provide loan assistance, at below market rates, to local units of government for the construction of publicly owned wastewater collection and treatment facilities. The assistance is intended to bring facilities into compliance with the requirements of the Federal Clean Water Act and address the discharge of inadequately treated wastewater to Michigan's groundwater or surface waters. Facilities are normally constructed/sized to address anticipated 20-year needs. To the extent that a producer/processor relies on, or intends to rely on, a publicly owned wastewater treatment facility to handle its process wastes, assistance from the SRF could be available. Contact with the municipal owner/operator of the wastewater facility should be initiated.

Web Site: <http://www.michigan.gov/deq>
Contact: 517/373-6626.

The link to the State Revolving Fund page is:
http://www.michigan.gov/deq/0,1607,7-135-3307_3515_4143---,00.html

Other Michigan Sources

MSU Product Center - The Product Center can help you develop and commercialize high value, consumer-responsive products and businesses in the agriculture and natural resource sectors. Whether you are a budding entrepreneur or an established company, the Center is your key to the front door of MSU's vast and varied technical expertise, research, outreach, and educational services. The Center has offices located on Michigan State University's campus and off campus. The Center has a network of Innovation Counselors in cooperation with MSU extension and other partners. This team of Innovation counselors is available to assist clients anywhere in the state of Michigan.

Web Site: <http://www.aec.msu.edu/product/>
Contact: 517/432-8750

The Michigan Small Business & Technology Development Center - The Michigan Small Business & Technology Development CenterSM (MI-SBTDCSM) network provides a full range of services for a variety of small businesses that are emerging and growing throughout Michigan - including new venture companies, existing small businesses, expanding businesses, new technology companies, and innovators.

Web Site: <http://www.misbtdc.org/>
Contact: 877/873-4567